

Memorandum

To: Chair and Commissioner

Date: December 2, 2005

From: Diane C. Eidam

File No: Item 4.9
Information

Ref: Statement of Intent for Reprogramming and Allocation
Priorities for Local Road Rehabilitation

Statement of Intent Regarding Reprogramming and Allocation Priorities for Local Road Rehabilitation

Issue

At the November meeting, the Commission discussed needs and priorities for local road rehabilitation in the STIP, particularly in rural counties without State highway needs. Staff agreed to return in December with a statement of intent regarding recommendations for future STIP allocation plans and future programming.

Background

In recent years, STIP allocation capacity has repeatedly fallen short of amounts estimated in the STIP fund estimate and thus short of the amounts needed to allocate to all projects as programmed. This has required the Commission to adopt a series of allocation plans since 2003-04 to ration the available capacity to projects. Successive allocation plans have given higher priority to State highway and local road improvement projects than to local road rehabilitation projects. Over time, this has meant that allocations have been disproportionately reduced or delayed to those rural counties where most or all STIP programming has been for local road rehabilitation. For 2005-06, there are \$70.4 million in local road rehabilitation projects programmed statewide, about 5.7% of the \$1.228 billion programmed for all project allocations.

At the present time, the allocation capacity identified for 2005-06 has been fully committed. The only 2005-06 STIP capacity remaining is for allocations from the Public Transportation Account (PTA), allocations for projects funded from federal Transportation Enhancement (TE) funds, allocations to match federal bridge (HBRR) funds, and allocations for planning, programming, and monitoring.

Statement of Intent

The Commission has indicated its desire to give greater attention and priority to the allocations for local road rehabilitation projects, particularly in those counties with no other projects programmed. Commission staff provides for comment and discussion the following as a statement of staff intent regarding allocation and programming priorities for the coming year.

Allocations in 2005-06. When and if there is any additional STIP highway and road capacity identified as available during 2005-06, staff would recommend that the Commission modify its current allocation plan to add local road rehabilitation projects from counties that have no capacity projects in the allocation plan to the second category, to be allocated on a first come first served basis. This would add \$21 million of the \$68 million now programmed for local road rehabilitation—projects from Del Norte, Inyo, Kings, Lake, Mariposa, Modoc, Mono, Plumas, San Benito, and Siskiyou Counties.

Allocations in 2006-07. For 2006-07, the first priority must be the repayment of AB 3090 cash commitments. As part of any allocation plan, staff would intend to recommend that the next priority be to allocate to 2006-07 planning, programming, and monitoring (PPM) and then to any remaining projects programmed for 2005-06, regardless of project type, provided that the projects are placed on the pending allocation list by the June 2006 meeting. (Projects receiving extensions would lose their priority; projects neither delivered nor granted extensions would be deleted from the STIP.) Among these projects, allocation priority would be in delivery order, regardless of project type. Only when these projects had received allocations would allocations be made for other projects programmed in the 2006 STIP for 2006-07.

Staff Recommendations for Reprogramming in the 2006 STIP. In developing the staff recommendations for the 2006 STIP, staff would expect generally to give priority for programming in 2006-07 first to cost increases for projects programmed for 2005-06 or earlier, including increases in Caltrans project development and right-of-way costs, and then to projects that are within the RTIP or ITIP target identified in the fund estimate and that were programmed for 2006-07 in the 2004 STIP. If it proves necessary to reduce recommended programming from RTIP/ITIP levels for Caltrans construction and local grant projects, staff would expect its recommendation to honor county targets as much as possible and to maintain a statewide ratio of about 80% State highways and 20% local grants. In counties without State highway programming, the staff recommendation would not distinguish between improvement and rehabilitation projects, consistent with regional priorities.

Other Funding Sources. Projects eligible for PTA or TE funding would be treated separately in the development of allocation plans and STIP recommendations.